

CEH PROGRESS AND CHALLENGES

January 2011

THE TOP FIVE RECENT SUCCESSES

1. Full Implementation of the Funders Group. The Funders Group was officially established in 2009. The Funders Group consists of King County, the City of Seattle, A Regional Coalition for Housing (ARCH), suburban cities representation, the Seattle Housing Authority, the King County Housing Authority, Building Changes, the Bill & Melinda Gates Foundation and United Way. The funders group coordinates homeless housing and service efforts across the system to ensure that we fully support the programs and system changes we desire and to create system wide accountability. The level of coordination created by the Funders Group is extremely unusual and has drawn national attention and recognition. The Funders Group's initial priorities were: production of new housing; increasing access to existing housing; coordinated entry for chronically homeless single adults; coordinated entry for families; and full implementation of the Safe Harbors data system. As many of those are now well under way, the Funders Group recently added priorities around: implementing the Gates Foundation Homeless Families Initiative; coordinating with mainstream systems, particularly K-12 and the child welfare system; coordinating with the state and national Five Year Plan to End Veterans homelessness; and working to increase funding flexibility.
2. Continued Robust Production. In 2010 we added 376 new construction units and 450 dedicated vouchers for a total of 826. Our cumulative 4,513 units opened or in the pipeline is a very impressive number – more than any other ten-year plan in the nation on a per capita basis.
3. Changing How the System Works. In addition to coordinating our funding through the Funders Group, we are changing the very way the system works. The Client Care Coordination project has pooled information on all chronically homeless single adults in our system and is matching them to appropriate housing and supports as projects come on line, dramatically changing the old practice of each agency maintaining duplicative wait lists. Similarly, coordinated entry for families will match families with housing and services housing through the use of a common assessment and placement list, avoiding endless trips from agency to agency as families seek housing in any program that has an opening.
4. Empirical Proof of Success. We always postulated that housing with services was much less expensive than leaving people homelessness, and a study published in the April 2009 Journal of the American Medical Association has shown a \$4 million cost avoidance in the first year alone of the 75-unit 1811 Eastlake Project. Similar significant reductions in emergency services costs have been observed in other of our supportive housing projects. The FISH project, focused on mentally ill high utilizers of the criminal justice system showed a 43% drop in bookings in the first 12 months after participants entered housing. We recently inquired of the Metropolitan Improvement District what their statistics show with regard to street activity in the downtown (which reflects to some extent our efforts to help people leave the streets and stabilize their lives). Although panhandling is up (undoubtedly a reflection of the recession), since 2007 Alcohol Activity Observed is down 35%, Drug Activity Observed is down 21% and 911 calls for the sobering van are down 41%.
5. Making a Difference on the Ground. We are in the worst recession in 50 years. Other parts of the country are seeing substantial. The 2011 One Night Count of those on the street or in emergency shelter showed a drop of 4% percent, while the 2010 count dropped by 5% (same area to same area comparison.) These drops are in stark contrast to the counts in other cities.

PREVENTION

Local prevention programs continue to help thousands with emergency financial assistance (over 6,000 people were helped in 2010). More than 80 percent of these households were still housed six months after receiving this assistance. This continues the pace that we achieved last year, but the need is increasing. The Community Information Line (211) saw its calls for rental assistance increase 62% from 2008 to 2010 (comparable 3 quarters reports). Fortunately there is a portion of the stimulus package that is investing over \$6.4 million in King County for a combination of prevention and rapid re-housing beginning in late 2009 and continuing for three years. Foreclosures continue to increase, with 211 calls for mortgage assistance rising 46% from 2008 to 2010, but interestingly the number of people seeking emergency shelter dropped by 22% and the number self-identifying as homeless dropped 9%.

INCREASING EFFICIENCY

The Landlord Liaison Project, designed to persuade landlords to waive what have traditionally been barriers to housing (prior evictions, prior bankruptcies, criminal records) has received a very warm welcome with 94 private landlords or property managers signed up representing almost 200 properties, 35 agencies on board, and 524 households with 980 individuals were housed in 2010. 32% of the people housed have been chronically homeless, and 20% have been veterans.

BUILDING POLITICAL WILL

Homelessness continues to be high on the list of public concerns – perhaps more than ever given the current economic crisis. Several organizations, including the Washington Low Income Housing Alliance, the Gates Foundation and Building Changes have been conducting intensive research on public attitudes, and have discovered that the public is very well informed about homelessness and the factors that create homelessness. Somewhat to our surprise, the public is much less clear about the issue of “affordable housing” and the general housing crisis. We are working across advocacy organizations to develop common messages and to coordinate public awareness work and legislative advocacy.

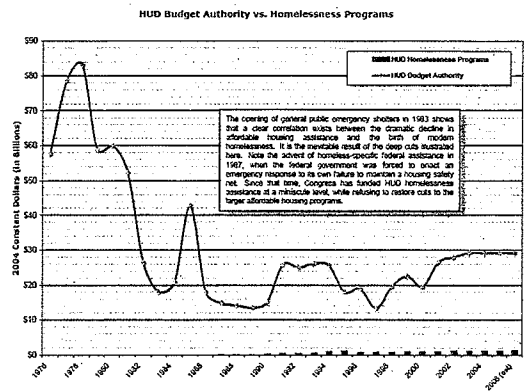
MEASURING RESULTS

Safe Harbors will soon issue its 2010 report. Records collected increased over prior years and more complete data was reflected in the report. Safe Harbors has implemented a new generation software system for data collection and outcomes reporting. Agencies are beginning to utilize this tool as a means not only for data collection, but for reporting outcomes tracking and case management. It is anticipated that we will see significant improvement in the information we are able to report as agencies embrace the new system and it's potential. Nevertheless much work remains to be done both at the system and the agency level.

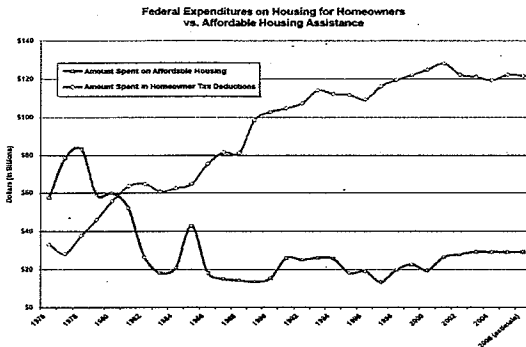
THE CHALLENGE OF MAINTAINING AND RESTORING FUNDING

Across the nation, hundreds of thousands of individuals and families are becoming homeless for the first time. Part of this is due to the recession and loss of jobs, but an equally important part is the divide between wages for the working poor and housing costs, and the steady erosion of the housing supports that used to make up the difference. The recent report of the Low Income Housing Coalition, “Out of Reach,” showed that in King County the “Housing Wage” (where the wage earner would be spending not more than 30% of their income for rent) is \$17.83 per hour. A minimum wage worker would have to work 83 hours per week, 52 weeks per year to afford fair market rent on a two bedroom apartment. 46% of all renters cannot afford a two bedroom apartment.

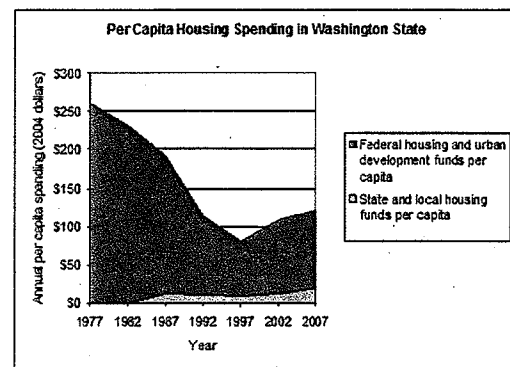
In most developed countries, this type of gap between wages and housing costs is made up by governmental subsidies, and in an earlier period, that was true also for the United States. The budget of the Department of Housing and Urban Development (HUD) has, however, steadily eroded. The chart to the right shows the HUD budget in constant 2004 dollars.



This is in contrast to the increasing governmental support (in the form of tax benefits) for homeownership. See chart to the left, titled: Federal Expenditures on Housing for Homeowners vs. Affordable Housing Assistance.



Finally, in Washington State, we are extremely fortunate to have a State Housing Trust Fund and other housing supports, but they are dwarfed by the federal investment. The third chart, Per Capita Housing Spending in Washington State shows overall spending on housing in Washington State.



In addressing homelessness, we can transform how we help people with mental illness and substance dependency, creating the type of community-based treatment that was promised but never delivered when institutions were closed in the 1970's and 1980's. We can re-open some of the doors that slam shut when someone has a criminal conviction. We can give children exiting foster care a better chance to succeed. Ultimately, however, to truly end homelessness, we will have to make sure that the gap between wages and housing costs is met by the type of investment in our residents that this country used to make.

Some key federal actions needed are:

1. Increase the number of Section 8 housing vouchers (the National Alliance to End Homelessness (NAEH), the primary mainstream advocacy group, is supporting funding of 200,000 additional Section 8 vouchers).
2. Extend the supports that allow low income housing tax credits to effectively fund projects (Senator Cantwell is advocating continuation of the "buy back" program for 9% tax credits and its extension to 4% tax credits).
3. Create a Federal Housing Trust Fund (NAEH supports initial funding at \$1 billion).
4. Fund the McKinney Vento Reauthorization at \$2.4 billion, which is the level needed to continue the programs authorized under the Hearth Act.

State investments are also important, and they include those listed below.

1. Fund the Washington State Housing Trust Fund at \$200 million per biennium and allow it to be used for housing for the most vulnerable.
2. Begin to at least plan for stopping the discharge of people from state institutions into homelessness (the legislature has failed to even require planning).

Finally, local investments are critical.

The Seattle Low Income Housing Levy passed with 66% of the vote – showing that our citizens do care. We need to keep that momentum in ensuring human services funding in all jurisdictions and renewal of the Veterans and Human Services Levy. We have shown that investments in targeted but comprehensive supports are extremely effective and save everyone money. We need to continue those investments.

